

Tax Rates, Exemptions, Phase-In Mitigation Option

Current Law					
Class 3 Agricultural Tax Rate	Class 4 Residential Tax Rate	Class 4 Commercial Tax Rate	Class 10 Forestland Tax Rate	Homestead	Comstead
3.01%	3.01%	3.01%	0.35%	34.00%	15.00%
Proposed Mitigation					
Class 3 Agricultural Tax Rate	Class 4 Residential Tax Rate	Class 4 Commercial Tax Rate	Class 10 Forestland Tax Rate	Homestead	Comstead
2.89%	2.89%	2.89%	0.23%	36.50%	15.42%

Assumptions: Homestead Exemption = 36.50% Homestead in 2009
15.42% Comstead in 2009

Calculation of Tax Liability

1. Market Value = 2008 Market Value + Phase In Amount
2. Market Value x (1 - Homestead) = Taxable Market Value
3. Taxable Market Value x Tax Rate = Taxable Value
4. Taxable Value x Mills / 1000 = Tax Liability

Example of the TY 2009 Median Value Home

MV Before Reappraisal	\$98,400	
MV After Reappraisal	\$152,000	
Tax Year	2008	2009
Market Value	\$98,400	\$107,333
Homestead	34.00%	36.50%
Amount Exempt	\$33,456	\$39,177
Taxable Market Value	\$64,944	\$68,157
Tax Rate	3.01%	2.89%
Taxable Value	\$1,955	\$1,970
Average Mills	538.19	538.85
Tax Liability	\$1,052	\$1,061
2009 Income (MAGI)		\$65,140
Percent of Income Paid		1.63%
Credit Amount		\$0

Example of a TY 2009 Average Value Home

MV Before Reappraisal	\$116,900	
MV After Reappraisal	\$178,920	
Tax Year	2008	2009
Market Value	\$116,900	\$127,237
Homestead	34.00%	36.50%
Amount Exempt	\$39,746	\$46,441
Taxable Market Value	\$77,154	\$80,795
Tax Rate	3.01%	2.89%
Taxable Value	\$2,322	\$2,335
Average Mills	538.19	538.85
Tax Liability	\$1,250	\$1,258
2009 Income (MAGI)		\$74,759
Percent of Income Paid		1.68%
Credit Amount		\$0

Example of a TY 2009 Median Value Resort Home

MV Before Reappraisal	\$150,450	
MV After Reappraisal	\$326,600	
Tax Year	2008	2009
Market Value	\$150,450	\$179,808
Homestead	34.00%	36.50%
Amount Exempt	\$51,153	\$65,630
Taxable Market Value	\$99,297	\$114,178
Tax Rate	3.01%	2.89%
Taxable Value	\$2,989	\$3,300
Average Mills	538.19	538.85
Tax Liability	\$1,609	\$1,778
2009 Income (MAGI)		\$59,297
Percent of Income Paid		3.00%
Credit Amount		\$0

Example of a TY 2009 \$500,000 Home

MV Before Reappraisal	\$300,000	
MV After Reappraisal	\$500,000	
Tax Year	2008	2009
Market Value	\$300,000	\$333,333
Homestead	34.00%	36.50%
Amount Exempt	\$102,000	\$121,667
Taxable Market Value	\$198,000	\$211,667
Tax Rate	3.01%	2.89%
Taxable Value	\$5,960	\$6,117
Average Mills	538.19	538.85
Tax Liability	\$3,207	\$3,296
2009 Income (MAGI)		\$200,547
Percent of Income Paid		1.64%
Credit Amount		\$0

Example of a TY 2009 \$1,000,000 Home

MV Before Reappraisal	\$650,000	
MV After Reappraisal	\$1,000,000	
Tax Year	2008	2009
Market Value	\$650,000	\$708,333
Homestead	34.00%	36.50%
Amount Exempt	\$221,000	\$258,542
Taxable Market Value	\$429,000	\$449,792
Tax Rate	3.01%	2.89%
Taxable Value	\$12,913	\$12,999
Average Mills	538.19	538.85
Tax Liability	\$6,950	\$7,005
2009 Income (MAGI)		\$477,527
Percent of Income Paid		1.47%
Credit Amount		\$0

**Example of a TY 2009 Business with \$200,000 in Class 4
and \$100,000 in Class 8**

MV Before Reappraisal	\$150,000	
MV After Reappraisal	\$200,000	
MV of Class 8	\$100,000	
Tax Year	2008	2009
<u>Class 4</u>		
Market Value	\$150,000	\$158,333
Homestead	15.00%	15.42%
Amount Exempt	\$22,500	\$24,415
Taxable Market Value	\$127,500	\$133,918
Tax Rate	3.01%	2.89%
Taxable Value	\$3,838	\$3,870
Average Mills	538.19	538.85
Tax Liability	\$2,065	\$2,085
<u>Class 8</u>		
Market Value	\$100,000	\$100,000
Taxable Value	\$3,000	\$3,000
Mills	538.19	538.85
Tax Liability	\$1,615	\$1,617
Total Tax Liability	\$3,680	\$3,702

**Example of a TY 2009 Business with \$400,000 in Class 4
and \$100,000 in Class 8**

MV Before Reappraisal	\$300,000	
MV After Reappraisal	\$400,000	
MV of Class 8	\$100,000	
Tax Year	2008	2009
<u>Class 4</u>		
Market Value	\$300,000	\$316,667
Homestead	15.00%	15.42%
Amount Exempt	\$45,000	\$48,830
Taxable Market Value	\$255,000	\$267,837
Tax Rate	3.01%	2.89%
Taxable Value	\$7,676	\$7,740
Average Mills	538.19	538.85
Tax Liability	\$4,131	\$4,171
<u>Class 8</u>		
Market Value	\$100,000	\$100,000
Taxable Value	\$3,000	\$3,000
Mills	538.19	538.85
Tax Liability	\$1,615	\$1,617
Total Tax Liability	\$5,745	\$5,788